

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 370 - HB 840

March 11, 2021

SUMMARY OF BILL: Requires the Basic Education Program (BEP) formula to fund one full-time response to instruction and intervention (RTI²) position for each 1,000 students or one full-time RTI² position for each local education agency (LEA), whichever is greater.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$25,013,600/FY21-22 and Subsequent Years

Assumptions:

- The BEP formula currently funds RTI² positions at a ratio of 1:2,750 students, with a minimum of one RTI² per LEA.
- Based on information provided by the Department of Education (DOE), changing the funding ratio for RTI² positions to 1:1,000 increases the number of RTI² positions generated through the BEP from 384.9 to 984.0, for a net increase of approximately 599.1 RTI² positions.
- The state share of the BEP will fund approximately \$41,752 per RTI² position.
- Re-calculating the FY20-21 BEP, using an RTI² position to student ratio of 1:1,000 will result in a recurring increase in state expenditures of \$25,013,623 (599.1 positions x \$41,752) for FY21-22 and subsequent years.
- The increase in BEP funding will increase the minimum required local match by \$13,897,000 for districts receiving an increase in BEP funding as a result of this bill.
- Based on FY20-21 local maintenance of effort levels, no local school districts will need to increase their BEP local match contributions as a result of the proposed legislation, as all districts are currently contributing local funds in excess of the minimum required local match and the increased local match requirements mandated by this legislation do not exceed such current local contributions for any of the districts.
- However, future legislation which alters the BEP funding formula may result in local governments utilizing current excess local contributions to fund the minimum local match requirement and a combination of multiple such legislation may result in mandatory increases in local match requirements for certain school districts.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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